REMARKS:

Claims 2, 3, 5-10 and 26-29 are currently pending in the application.

Claim 7 stands objected to as being dependent upon a rejected base claim.

Claims 1 and 11-24 are currently canceled without *prejudice*.

Claims 4 and 25 have been previously canceled without *prejudice*.

Claims 30-43 are currently added.

Claims 1-3, 5, 6, 8-10, and 26-29 stand rejected under 35 U.S.C. § 103(a) over U.S. Patent No. 6,151,582 B2 to Huang et al. ("*Huang*") in view of Greene's Production and Inventory Control Handbook, Chapter 10 Capacity Planning, 3rd Ed., ("*Greene*") in view of Dobler's Purchasing and Supply Management, Text & Cases, 6th Ed., ("*Dobler*") and in further view of White's How Computers Work, ("*White*").

By this Amendment, Claims 1 and 11-24 have been canceled without *prejudice* and Claims 2, 3, 5-10 and 26-29 have been amended to more particularly point out and distinctly claim the Applicants invention and to correct certain dependencies. In addition, the Applicants have added new independent Claims 30 and 37 and new dependent Claims 31-36 and 38-43 to more particularly point out and distinctly claim the Applicants invention. By making these amendments, the Applicants make no admission concerning the merits of the Examiner's rejection, and respectfully reserve the right to address any statement or averment of the Examiner not specifically addressed in this response. Particularly, the Applicants expressly reserve the right to pursue broader claims in this Application or through a continuation patent application. No new matter has been added.

REJECTION UNDER 35 U.S.C. § 101:

The Applicants thank the Examiner for withdrawing the rejection of Claims 1-10 and 26-28 under 35 U.S.C. § 101.

REJECTION UNDER 35 U.S.C. § 112:

The Applicants thank the Examiner for withdrawing the rejection of Claims 1-10 and 26-29 under 35 U.S.C. § 112.

REJECTION UNDER 35 U.S.C. § 102(e):

The Applicants thank the Examiner for withdrawing the rejection of Claims 1-10 and 26-29 under 35 U.S.C. § 102(e).

ALLOWABLE SUBJECT MATTER:

Claim 7 stands objected to as being dependent upon a rejected base claim.

Specifically, the Examiner states that "Claim 7 is objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims." (5 March 2007 Office Action, Page 2). The Applicants greatly appreciate the Examiner acknowledging that Claim 7 contains allowable subject matter.

In response to the Examiner's statement, the Applicants have canceled independent Claim 1 and have amended Claim 7 to include limitations that the Examiner has deemed to be allowable subject matter in the subject Application and to expedite prosecution of the subject Application. The Applicants respectfully submit that Claim 7 is now in independent form and includes all of the limitations of now canceled independent base Claim 1.

In addition, the Applicants have added new independent Claims 30 and 37 and new dependent Claims 31-36 and 38-43. Independent Claims 30 and 37 contain limitations similar to now independent Claim 7, which as acknowledged by the Examiner, is deemed to be allowable subject matter. With respect to dependent Claims 31-36 and 38-43: Claims 31-36 depend from new independent Claim 30 and Claims 38-43 depend from

new independent Claim 37. Since, independent Claims 7, 30, and 37 are considered patentably distinguishable over the prior art of record dependent Claims 31-36 and 38-43 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, the Applicants respectfully submit that the objection to Claim 7 is moot in view of the amendments to the claims. Thus, the Applicants respectfully request that the objection to Claim 7 be reconsidered and that Claim 7 be allowed. In addition, the Applicants respectfully submit that Claims 30-43 are in condition for allowance, for at least the reasons discussed above in connection with Claim 7. Thus, the Applicants respectfully request that Claims 30-43 also be allowed.

REJECTION UNDER 35 U.S.C. § 103(a):

Claims 1-3, 5, 6, 8-10, and 26-29 stand rejected under 35 U.S.C. § 103(a) over *Huang* in view of *Greene* in view of *Dobler* and in further view of *White*.

The Applicants respectfully submit that the ***amendments to independent Claims 7 and 26-29 have rendered moot the Examiner's rejection of these claims and the Examiner's arguments in support of the rejection of these claims***. The Applicants further respectfully submit that amended independent Claims 7 and 26-29 in their current amended form and new independent Claims 30 and 37 contain unique and novel limitations that are not taught, suggested, or even hinted at in *Huang*, *Greene*, *Dobler*, and *White*, either individually or in combination. Thus, the Applicants respectfully traverse the Examiner's obvious rejection of Claims 1-3, 5, 6, 8-10, and 26-29 under 35 U.S.C. § 103(a) over the proposed combination of *Huang*, *Greene*, *Dobler*, and *White*, either individually or in combination.

The Proposed *Huang-Greene-Dobler-White* Combination Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicants Claims

For example, with respect to now independent Claim 7, this claim recites:

A computer-implemented system for managing an excess or under capacity at a first entity in a supply chain, the system comprising:

at least one computer system comprising:

a planning application, the planning application receives status data for at least the first entity reflecting the excess or under capacity at the first entity and generates a plan according to the status data; and

a manager application, the manager application receives the plan and, according to the plan, automatically initiates at least one service in an attempt to resolve at least a portion of the excess or under capacity through interaction with one or more other entities and selects the service from among a plurality of available services based on a monetary value to the first entity of a resolution expected to be available using the selected service relative to other services, the action selected from the group consisting of:

sell items to one or more other entities according to a previously existing contract between the first entity and the one or more other entity;

purchase items from one or more other entities according to a previously existing contract between the first entity and the one or more other entity;

sell items to one or more other entities in an auction;

purchase items from one or more other entities in a reverse auction;

post items in a catalog of the first entity for sale to one or more other entities;

purchase items posted in a catalog of one or more other entities;

post items in an inventory listing service for sale to one or more other entities; and

purchase items posted in an inventory listing service by one or more other entities. (Emphasis Added).

Independent Claims 26-30 and 37 recite similar limitations. *Huang*, *Greene*, *Dobler*, or *White* fail to disclose each and every limitation of independent Claims 7, 26-30, and 37.

The Applicants Claims are Patentable over the Proposed *Huang-Greene-Dobler-White* Combination

The Applicants respectfully submit that independent Claims 26-30 and 37 are considered patentably distinguishable over the proposed combination of *Huang*, *Greene*, *Dobler*, and *White* for at least the reasons discussed above in connection with now

independent Claim 7. This being the case, independent Claims 26-30 and 37 are considered patentably distinguishable over the proposed combination of *Huang*, *Greene*, *Dobler*, and *White*, either individually or in combination.

With respect to dependent Claims 2, 3, 5, 6, 8-10, 31-36 and 38-43: Claims 2, 3, 5, 6, and 8-10 depend from independent Claim 7; Claims 31-36 depend from new independent Claim 30, and Claims 38-43 depend from new independent Claim 37. As mentioned above, each of independent Claims 7, 26-30, and 37, are considered patentably distinguishable over *Huang*, *Greene*, *Dobler*, and *White*. Thus, dependent Claims 2, 3, 5, 6, 8-10, 31-36 and 38-43 are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, the Applicants respectfully submit that Claims 1-3, 5, 6, 8-10, and 26-43 are not rendered obvious by the proposed combination of *Huang*, *Greene*, *Dobler*, and *White*. The Applicants further respectfully submit that Claims 1-3, 5, 6, 8-10, and 26-43 are in condition for allowance. Thus, the Applicants respectfully request that the rejection of Claims 1-3, 5, 6, 8-10, and 26-29 under 35 U.S.C. § 103(a) be reconsidered and that Claims 1-3, 5, 6, 8-10, and 26-43 be allowed.

THE LEGAL STANDARD FOR OBVIOUSNESS REJECTIONS UNDER 35 U.S.C. § 103:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, ***there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings***. Second, there must be a reasonable expectation of success. Finally, ***the prior art reference*** (or references when combined) ***must teach or suggest all the claim limitations***. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, ***and not based on applicant's disclosure***. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); M.P.E.P. § 2142. Moreover, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (CCPA 1974). If an independent claim is nonobvious under 35 U.S.C.

§ 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); M.P.E.P. § 2143.03.

With respect to alleged obviousness, ***there must be something in the prior art as a whole to suggest the desirability***, and thus the obviousness, of making the combination. *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561 (Fed. Cir. 1986). In fact, the absence of a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573 (Fed. Cir. 1997). The mere fact that the prior art can be combined or modified does not make the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990); M.P.E.P. § 2143.01. The consistent criterion for determining obviousness is whether the prior art would have suggested to one of ordinary skill in the art that the process should be carried out and would have a reasonable likelihood of success, viewed in the light of the prior art. Both the suggestion and the expectation of success must be founded in the prior art, not in the Applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991; *In re O'Farrell*, 853 F.2d 894 (Fed. Cir. 1988); M.P.E.P. § 2142.

A recent Federal Circuit case makes it clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

CONCLUSION:

In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

Although the Applicants believe no fees are deemed to be necessary; the undersigned hereby authorizes the Director to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777**. If an extension of time is necessary for allowing this Response to be timely filed, this document is to be construed as also constituting a Petition for Extension of Time Under 37 C.F.R. § 1.136(a) to the extent necessary. Any fee required for such Petition for Extension of Time should be charged to **Deposit Account No. 500777**.

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

22 May 2007
Date

/Steven J. Laureanti/signed
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